

EXHIBIT B



VISION SERVICE PLAN

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October 20, 1995

Mr. Chris Mykrantz
Benefit Planning
Chrysler Corporation
12000 Chrysler Drive
Highland Park, Michigan 48288

Dear Chris:

I have reviewed Kay Brady's letter to you of September 28 and offer the following comments.

At our original discussion, we clearly reviewed our plans and long-term objectives. Our agreement to "grandfather" existing providers was in response to Chrysler and other major account concerns. The effect of grandfathering was to "phase in" VSP requirements over an extended period. It is true that in time the presence of optical chains will be less. Participating provider requirements have evolved as we have become a national company. One key requirement, not in place in all states prior to the national consolidation, is providers must own their own dispensary. We feel the benefits of this provision are valuable and serve our members well. We do not believe these changes will "have a very negative effect on Michigan's provider network", as asserted in Ms. Brady's letter.

Our grandfathering provisions did require the provider remain with the original employer. Our intention was to maintain access to "existing" providers for as long as possible. My letter of September 18 was not intended to misrepresent, rather to affirm the spirit of our original commitment. To highlight the provisions of the grandfathered agreement:

- Doctors who do not own their own dispensary will be allowed to remain on the panel as long as they remain under the same employer.
- The corporate entity will not be permitted to add new doctors or new locations

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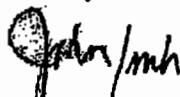
- Movement of existing "grandfathered" doctors will be allowed within existing office locations, as long as the payee stays the same.
- A doctor who leaves his employer or moves into a new location for the same employer loses grandfather status and would be removed from the panel.
- Membership remains with the individual doctor, not the employer.

We do not believe these modifications will "have an adverse effect on vision care costs", in either the short or long term. VSP's reimbursement formula ensures all participating providers receive less than their normal fees. Competitors are indeed a factor in pricing of goods and services. We have not removed "major competitors out of the market". Major competitors remain in serving the group benefits community in which Chrysler and every other business resides. Co-Op, et al will continue to serve this market very aggressively. Chrysler employees can continue to see any provider they wish. In the event the provider no longer participates with VSP, the member simply uses non-panel benefits. Different yes, but still within the benefit design Chrysler has committed to.

We believe member disruption will be very low. The changes in participating providers will occur very slowly, over time. We are confident Chrysler employees will rarely notice any changes.

I sincerely hope you find these explanations and thoughts ~~satisfactory~~ to allay your concerns. We are certainly prepared to discuss further, if necessary

Sincerely,



John S. Kackloudis

c: Ric Steere
Steve Snyder
Dennis Furton
Judy Klein
Janice Wilson ✓

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